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23 March 1965

Procurement of Foreign Publications

The major channel at present for procurement of foreign publications for use by the Intelligence Community is the [REDACTED] [REDACTED]. Other channels used in varying degree are the military attaches, commercial dealers (including direct to publisher arrangements) and exchange arrangements. Indirect or clandestine channels are used to a relatively minor extent for "hard-to-get" publications.

Within the Intelligence Community, CIA procures the major share of the total obtained - approximately ____%. A breakdown by dollar volume is as follows:

State
DIA
Army
Navy
Air Force
NSA
AEC
CIA

CIA relies most heavily on the PFO system, obtaining about 95% of its publications through this channel. The State Department uses the PFO system almost exclusively. Procurement of foreign publications for the intelligence components of

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the Defense Department is in a state of flux as new steps toward centralization are being worked out by DIA. Generally up to now there has been reliance on the attache system, particularly on the part of ACMI (Army) and CNI, although Army Map Service has used the PPO system. The Air Force on the other hand has used a combination of methods - PPO, attache, commercial and exchange (available through LC cooperation). NSA has relied heavily on the PPO system but has also used other systems.

As to the adequacy of the procurement effort, the CIA has found a general adequacy with regard to results except for timeliness. Principal inadequacies noted have been the poor results in procuring publications from Latin America and certain African countries. But delays in receipt of publications appears to be a general complaint and applies to most countries except the USSR, and particularly to the Free World. DIA finds the present procurement procedures seriously inadequate to meet their needs and has begun to use the PPO system. Air Force has found their multi-faceted approach quite satisfactory, as has NSA, except for hard-to-get publications.

From a review of statistics on cost of procurement and time-lag for the different systems, it seems evident that commercial arrangements generally cut the time in half as compared with the PPO system and reduce the time even more compared with other systems. Overall cost-wise to the Government commercial

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procurement costs are somewhat less than the PPO system. However for an individual agency, commercial procurement costs more for its budget because mailing costs have to be absorbed, whereas in the PPO system, the State Department absorbs the mailing costs for all agencies. This factor has, of course, been an attraction of the PPO system, despite some of the well-known inadequacies of the system, such as the allocation of only a handful of full-time PPO's and the general reluctance of ad hoc PPO's to give adequate time and attention to publications procurement due to the pressure of other assignments and the fact that this activity does not contribute to their advancement in the Foreign Service.

With regard to the attache system DIA is inclined to feel that the valuable time of the attaches could be better used for other things so long as alternative methods exist for publications procurement. Thus it seems probable that the attache system will disappear as a system, except for hard-to-get items.

Roughly we can break down publications procurement into four classes -- serials, monographs, field selection and hard-to-get. Of these the first two are regular subscription or order procedures, the third involves guide requirements and on-the-spot initiative procurement and the last requires indirect or irregular methods of procurement. However of the total volume of publications procured 95% is in the first class - serials. So the vast bulk of what we need constitutes a known and easily accessible body of documents that require a heavy daily volume flow from producer

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to consumer. For this vast volume the most direct unencumbered route will obviously cut the time-lag and reduce costs particularly hidden costs for the Government. Since these are well-known and accessible items coordination in their procurement is unnecessary, time-consuming and costly. Direct to publisher subscriptions or commercial dealer arrangements should therefore be made at the lowest administrative level possible for serials and book orders.

On the other hand for field selection and hard-to-get items, there is an evident need for much closer coordination so as to eliminate duplicate activity and conserve and maximize the utilization of the most useful assets for the benefit of the whole Community. Guide requirements should be consolidated, carefully screened and appropriate portions placed with the most logical and best asset available, whether he be an attache, foreign service officer or commercial dealer. Similarly hard-to-get items should be brought together into a consolidated want-list and apportioned to the most fruitful field assets. It appears to us that it would be most beneficial and efficient for the Community if items procured against selection criteria or want-lists of hard-to-get items were all received by one central activity and reproduced and disseminated as appropriate to those agencies needing them. At a minimum there should be an active working group or committee charged with the close on-going coordination of these two classes of publications procurement activity - selection and hard-to-get items. Such a group should, we feel, come under

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the direction of CODIB. In fact we have already had clear indications of the need for a smaller group for the exploitation activity. However at this juncture we are just beginning a review of the exploitation activity and therefore prefer to hold in abeyance what now is beginning to appear necessary - a standing CODIB sub-committee on all aspects of foreign publications. Until such time as we have completed our investigations, an interim working group on these limited access publications would seem to be in order.

Recommendations

We recommend that CODIB

1. Note our findings that foreign publications continue to be today a vital and primary source for intelligence production - contributing on the average more than 50% of all sources to production.
2. Endorse the principle that components of the Intelligence Community should stress the use of commercial arrangements for procurement of vast bulk of publications - serials and specific book orders - from undenied areas.
3. Establish a Working Group on Limited Access Publications to
 - a. undertake coordination of want lists and guide requirements, compilation of an inventory of assets available and collation of requirements and assets.

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- b. assess the problems involved in establishing a central activity for processing limited access publications and make appropriate recommendations to CODIA.